REMARKS:

Claims 35 and 47-55 remain withdrawn, claims 38 and 42-44 are hereby amended, and claims 39-41, 45, and 46 are unchanged.

Claims 38-42 and 44-46 stand rejected under 35 U.S.C. §102(b) as being anticipated by U.S. Patent No. 4,946,532 ("Freeman"). Claims 38-40, 42, 43, 45, and 46 stand rejected under 35 U.S.C. §102(b) as being anticipated by U.S. Patent No. 5,997,683 ("Popat").

Currently amended independent claim 38 recites:

> A method of making a badge comprising:
> providing a card having a front surface, a back surface, and adhesive on the back surface;
> adhering a backing to the back surface of the card;
> cutting only the card into at least a first segment and a second segment and not the backing;
> providing a card printer;
> feeding the cut card and the backing into the card printer;
> forming an image on the front surface of at least one of the first and second segments of the card after cutting the card; and
> removing the at least one of the first and second segments containing the image from the backing, the at least one of the first and second segments removed from the backing and containing the image having adhesive on the back surface thereof.

To prove a *prima facie* case of anticipation, the Examiner must show that each and every element as set forth in the claim is either expressly or inherently described in a single prior art reference. <u>Verdegaal Bros. v. Union Oil Co. of California</u>, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987); MPEP § 2131.

Freeman does not teach or suggest a method of making a badge. Rather, Freeman discloses a manner for making labels or decals with webs of material. Nowhere in Freeman is a method of making a badge taught or suggested. Also, Freeman does not teach or suggest, inter alia, a card and a card printer. The Examiner continues to inappropriately consider and interpret disclosure of the prior art references in an attempt to satisfy the claimed limitations "card" and "card printer". The Examiner continues to reject independent claim 38 in view of Freeman, which clearly discloses a web and a web printer, not a "card" and "card printer". The Examiner's only motivation for interpreting the web and web printer of Freeman to be a card and card printer as

claimed in independent claim 38 comes from Applicant's disclosure, and therefore, the Examiner's interpretation and rejections are improperly based upon hindsight.

Also, the Examiner appears to acknowledge Freeman as disclosing a web application and not a card application, and appears to acknowledge that a difference exists between web applications and card applications in paragraph 10 of the Office Action dated February 7, 2007. Particularly, the Examiner states "even though Freeman refers to web construction". The use of the phrase "even though" establishes an admission by the Examiner, and, based on the details of the present case, infers that Freeman does not disclose a card application and that a difference does exist between web applications and card applications. Accordingly, the Examiner's own statements support the Applicant's contentions that 1) a difference does exist between web applications and card applications; 2) web applications cannot be interpreted as card applications to satisfy claim limitations; and 3) emphasis should be given to the claimed terms "card" and "card printer".

Subsequent to the Examiner stating "even though Freeman refers to web construction", the Examiner states "the facestock is cut into segments. However, the term 'card' does not preclude such segments." The reasoning for making this non sequitur argument is unclear, particularly the portion of the remark indicating that "the term 'card' does not preclude such segments." Independent claim 38 is not intended to preclude "segments". In fact, independent claim 38 recites "cutting only the card into at least a first segment and a second segment." It is clear from this claim language that Applicant intends the card to be cut into segments, not preclude the card from being cut into segments. In actuality, Applicant desires to preclude web applications and labels by use of the terms "card" and "card printer". To bolster Applicant's remarks that the terms "card" and "card printer" preclude web applications and label applications, Applicant submits that those of ordinary skill in the art: 1) understand a difference between web applications and card applications; 2) appreciates the terms "card" and "card printer" as having meaning in the badge forming arts; and 3) understands that the terms "card" and "card printer" are not interchangeable with the terms web and web printer. In practice, a card cannot be fed through a web printer and similarly a web cannot be fed through a card printer. Card printers are designed to receive cards and web printers are designed to receive webs. Reference is made to Appendix A filed herewith which includes a specification of a card printer. Clearly, from the card printer specification, one can see that a card and a card printer are substantially different from a web and a web printer.

Accordingly, it is improper for a web and a web printer to be interpreted in the manner contended by the Examiner in order to satisfy the claim limitations of independent claim 38.

For these and other reasons, Freeman does not teach or suggest the subject matter of independent claim 38. Accordingly, independent claim 38 should be allowed over Freeman. Claims 39-46 depend from independent claim 38 and should be allowed over Freeman for the same and other reasons as independent claim 38.

Turning now to Popat, Popat does not teach or suggest a method of making a badge. Popat mentions nothing about badges or anything relating to badges. Instead, Popat discloses two separate concepts: 1) a manner for making labels (see Figs. 1-8) and 2) a manner for making cards such as business cards (see Fig. 9). Description relating to the manner of making labels appears in column 4, line 6 through column 6, line 7, column 7, line 21 through column 8, line 8, and column 8, lines 41-54 and the description relating to the manner for making cards appears in column 6, line 8 through column 7, line 20 and column 8, lines 9-19. The features described in relation to labels only relate to labels and the features described in relation to cards only relate to cards.

Also, Popat does not teach or suggest providing a card having a front surface, a back surface, and adhesive on the back surface. No portion of the description relating to Fig. 9 and the manner for making cards describes providing an adhesive on a back surface of the card. The only reference to "adhesive" in connection with cards appears in column 6, lines 50-65 where lamination includes adhesive and the lamination is attached to the card to laminate the card. Lamination clearly cannot be consider the card as recited in independent claim 38 and any attempt to do so would be improper.

Popat does disclose a label sheet having an adhesive coating and being adhered to a backing sheet, but this description in presented in connection with the manner for making labels, not cards. Popat clearly draws a distinction between labels and cards as is substantiated by the two separate embodiments (labels and cards) and their separate accompanying descriptions. This appreciation of the difference between labels and cards made by Popat further supports Applicant's contention that one of ordinary skill in the art recognizes a difference between web/label applications and card applications and, therefore, recognizes that terms like card and card printer have substantial meanings and cannot be interchanged with items such as webs, labels, and web printers. Accordingly, it is improper to interpret the labels disclosed in Popat in the manner contended by the Examiner in an attempt to anticipate independent claim 38.

-8-

In addition, Popat does not teach or suggest adhering a backing to the back surface of the card. No portion of the description relating to Fig. 9 and the manner for making cards describes adhering a backing to a back surface of a card. With particular reference to Fig. 9, only one layer of material is used for making cards. As mentioned above, Popat discloses a label sheet being adhered to a backing sheet, but this description relates to labels, not cards. For the previously presented reasons, it is improper to interpret the labels disclosed in Popat in the manner contended by the Examiner in an attempt to anticipate independent claim 38.

Further, Popat does not teach or suggest feeding a cut card and a backing into a card printer. Since Popat does not disclose a backing adhered to a card as set forth in the previous paragraph, Popat cannot disclose feeding a cut card and a backing into a card printer. Additionally and with reference to Fig. 9, Popat teaches feeding only one layer of material into a laser printer, thereby teaching away from using a backing with the card material.

Further yet, Popat does not teach or suggest, inter alia, at least one of first and second segments removed from a backing and containing an image having adhesive on a back surface thereof. As indicated above, Popat does not disclose a card having adhesive on a back surface thereof. Accordingly, Popat cannot disclose a removed segment of the card having adhesive on a back surface thereof. Also, Popat describes removable cards 234, 235, but never mentions adhesive on a back surface of the removable cards 234, 235. Accordingly, Popat does not teach or suggest this subject matter of independent claim 38.

For these and other reasons, Popat does not teach or suggest the subject matter of independent claim 38. Accordingly, independent claim 38 should be allowed. Claims 39-46 depend from independent claim 38 and should be allowed for the same and other reasons as independent claim 38.
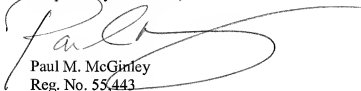
Claim 43 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Popat alone. Claim 43 is a dependent claim that depends from independent claim 38. Independent claim 38 is distinguished from the cited references by remarks presented above and dependent claim 43 is distinguished from the cited references for at least the same reasons as independent claim 38. Accordingly, this 35 U.S.C. §103(a) rejection of dependent claim 43 will not be addressed herein.

CONCLUSION:

In view of the foregoing, entry of the present amendment and allowance of the pending claims are respectfully requested.

The undersigned is available for telephone consultation during normal business hours.

Respectfully submitted,

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Reg. No. 55,443

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APPENDIX A

Datacard®
SP35 Card Printer

The bold new look of value-priced card printing

The Datacard® SP35 card printer delivers an unbeatable combination of high performance and low cost for low-volume card programs. It is like nothing you have seen before for issuing ID cards, gift and loyalty cards, membership cards, hotel room keys and more.

The SP35 card printer gives you fast print speeds, superb image quality and simple operation at a value price. Good looks and a compact size make the printer a welcomed addition to any desktop. If you recognize how plastic cards can benefit your operation, but have been waiting for printers to come down in price, size and complexity, your moment has arrived.

Excellent productivity from a small footprint

The SP35 card printer personalizes up to 120 full-color cards and up to 500 one-color cards per hour. Despite its fast operation, this attractive printer weighs less than nine pounds and is easily transportable, letting you print cards in confined workspaces. A standard USB connection makes installations fast and simple at any location.

The Datacard® SP35 card printer offers the ideal mix of speed and simplicity in an attractive, compact, value-priced design.

Superb, edge-to-edge imaging

The SP35 card printer leverages Datacard's exclusive Advanced Imaging Technology™ to produce vivid, life-like full- or one-color photos, graphics and text across a card's entire surface. The technology uses optimized print ribbons and user-adjustable controls to yield smooth, uniform solid backgrounds, improved color matching with image capture devices, enhanced bar code printing and sharp reproduction of edges and fine text.

Optional magnetic stripe and smart card capabilities

In addition to standard bar code printing, the SP35 card printer gives you optional magnetic stripe and integrated smart card capabilities, including contactless smart cards, with a simple field upgrade. These technologies can make your cards compatible with access control and other automated systems across your enterprise, creating new opportunities to increase security and efficiency. You can also purchase multiple printers now, knowing you can always upgrade to magnetic stripes and smart cards in the future.

So simple to use, so affordable to own

The SP35 card printer is designed so you can begin using its robust features immediately. A "smart" printer driver provides all the information you need on-screen, including message prompts, recovery instructions, color image previews and Online Help. The SP35 card printer driver is available

for the popular Windows® 98, 2000, Me and XP operating systems. Quick-change supplies, operator-replaceable printheads, front-facing input and output hoppers and continuous card cleaning help maximize uptime and ensure a low cost of ownership.

Extensive warranty coverage

Datacard backs the SP35 card printer with aggressive printer and printhead warranties. Standard printer coverage includes 18 months of standard depot service on all parts and labor. We also honor printhead warranty coverage for 18 months, with no pass restrictions and no prorating of printhead replacement costs.

Exclusive ribbons maximize printer performance

The SP35 card printer features Datacard® proprietary ribbons designed specifically for the SP35 card printer. When the printer recognizes that a Datacard® ribbon is installed, all enhanced product features are enabled and successful card printing can begin. The printer will only print color images when Datacard® proprietary color ribbons are installed. Datacard is your exclusive source for proprietary ribbons for the SP35 card printer.

DatacardGroup

Datacard® SP35 Card Printer

Datacard Group

Expert service through planning, implementation and maintenance

Datacard is committed to providing outstanding support for all its solutions, no matter where they are installed around the globe. Our network of service specialists provides support in more than 120 countries worldwide. Our comprehensive professional service offerings include smart card planning and consulting, integration and customization, card issuance, program management, implementation planning, onsite installation, software support and training. These offerings extend beyond traditional hardware services to provide complete turnkey services for our customers.

Your best choice for supplies

Protect your investment in Datacard' solutions by only using Datacard' Certified Supplies. You can count on Datacard for all of your supplies needs. We engineer superior performance and unwavering reliability into every system-matched supply item we offer. For you, that means smooth, printing, brilliant image quality, high security and exceptional performance. Worldwide representation creates a fast, direct connection with the supplies and support you need, when and where you need them. To ensure you are using Datacard Certified Supplies, look for ribbons that feature our distinctive and exclusive *blue* cores.

Standard features

- Windows' 98, 2000, Me and XP printer drivers
- One-sided, edge-to-edge printing
- Printer pooling (Windows' 2000 and XP only)
- Operator-replaceable printhead
- Continuous cleaning roller
- Advanced Imaging Technology™
- "Smart" printer driver
- 100-card, front-facing input hopper—0.030 in. (0.76mm) card thickness
- 20-card, front-facing output hopper—0.030 in. (0.76mm) card thickness
- Automatic card feeding
- Easy-access components, including quick-change ribbon cartridges
- Highly accessible card path
- Audio and visual message prompts (bi-directional communication)
- Datacard' proprietary print ribbons
- Full-color or monochrome imaging
- Online help and user documentation
- 18-month depot printer warranty
- 18-month printhead warranty
  - No pass restrictions
  - No prorating of printhead costs

Options

- Full- or one-color printing
- Field-upgradeable magnetic stripe encoding (IAT or NTT)
- Field-upgradeable smart card personalization
  - Contact GCI 430 coupler
  - Contactless Micro 680 coupler
  - Contact/contactless GCI 430/680 couplers
  - Contact station
- Magnetic stripe encoding and smart card personalization
- Customized service plans
- Additional card cartridges
- Additional ribbon cartridges

Specifications

- Physical dimensions:
  16.5 in. x 7.8 in. x 9.0 in.
  (419 mm x 198 mm x 229 mm)
- Weight: between 8 and 9 lbs. (3.6 kg and 4.1 kg), depending upon options

- Print capabilities:
  - Edge-to-edge printing
  - Continuous-tone, full-color or black-and-white photos
  - Alphanumeric text, logos, digitized signatures, fingerprints
  - Variety of bar codes
  - Background patterns
- Print resolution: 300 dpi
- Throughput:
  - Full-color printing: up to 120 cards per hour with YMCKT ribbon
  - One-color printing: up to 500 cards per hour with K ribbon
- Shade count: 256 shades
- Communications: USB
- Plastic cards accepted:
  - Size: 3.375 in. x 2.125 in. (85.7 mm x 54.0 mm)
  - Type: PVC with glossy laminate surface (other core materials with PVC overlaminates optional)
  - Thickness:
    - 0.01 in. x 0.05 in. (0.25 mm x 1.30 mm); with smart card module, accommodates most proximity cards
    - 0.02 in. x 0.03 in. (0.50 mm x 0.80 mm) with magnetic stripe or smart card module
    - Automatically adjusts to accommodate random card thicknesses
- Resident memory: 8 MB
- Supplies:
  - Datacard' proprietary print ribbons
  - YMCKT (three colors, true black and topcoat)
  - KT (true black with topcoat)
  - K (true black)
  - Various other colors
- Electrical requirements:
  - 100/120V, 50/60 Hz
  - 220/240V, 50/60 Hz
- Operating environment:
  - 60°F to 95°F (15°C to 35°C)
  - 20% to 80% non-condensing humidity
- Storage environment:
  - 5°F to 140°F (-15°C to 60°C)
  - 10% to 90% non-condensing humidity